

**POTENTIAL NEW ECONOMIC DEVELOPMENT
CORPORATION BUSINESS MODEL
Draft of November 9, 2009**

Objectives

- Improve agency efficiency and effectiveness
- Disconnect EDC funding from incentive granting
- Stabilize and broaden EDC funding base to insulate it from economic downturns and political changes (i.e., need long term stability)
- Seek private sector funding for specific programmatic areas which are non-competitive/duplicative with those of KCADC, Chamber and Civic Council
- Focus on flexible and creative approaches to economic development
- Greater emphasis on small business, entrepreneurship, organic business retention and growth, workforce enhancement and distressed areas assistance
- Position EDC for greater partnership opportunities to leverage resources
- De-politicize the development process and make it more user friendly
- More clearly articulate and communicate the EDC's mission and activities

Proposal

- Establish a single "incentives granting board"
- The "incentives granting" board would replace the existing individual Statutory Agency boards
- Establish a new EDC "overall board" to set a broad strategic direction and specific annual work programs; and include more business representation on the new overall board
- City of KCMO would line item fund the entire EDC (currently \$4 million) but would receive the transaction fees from incentivized projects
- No net increase in City funding and the potential of reduced funding through efficiencies and avoidance of duplicative or overlapping functions
- EDC mission would include: business retention outreach; small business/entrepreneurship; business technical assistance; community development; research & analysis; marketing; legislative initiatives; and back-office functions (HR, IT, accounting, performance monitoring, etc.)